

DEPARTMENT OF STATE REVENUE

Departmental Notice #2

June 1, 2003

Prepayment of Sales Tax On Gasoline

This document is not a “statement” required to be published in the Indiana Register under IC 4-22-7-7. However, under IC 6-2.5-7-14, the Department is required to publish the prepayment rate in the June and December issues of the Indiana Register. The purpose of this notice is to inform each refiner, terminal operator, and qualified distributor known to the Department to be required to collect prepayments of sales tax on gasoline of the “prepayment rate” effective for the next six-month period. A prepayment rate is calculated twice a year by the Department and is effective for the period January 1 through June 30, or, July 1 through December 31, as appropriate.

The prepayment rate is defined by IC 6-2.5-7-1 as the product of:

- 1) the statewide average retail price per gallon of gasoline (excluding the Indiana gasoline tax, the federal gasoline tax, and the Indiana gross retail tax); multiplied by
- 2) the state gross retail tax rate [6%]; multiplied by
- 3) ninety percent (90%); and then
- 4) rounded to the nearest one-tenth of one cent (\$0.001)

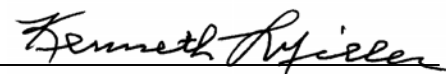
The prepayment rate of sales tax on gasoline for the six – (6) month period beginning July 1, 2003, is six and six-tenths cents (\$.066) per gallon.

Using the most recent retail price of gasoline available (as required by IC 6-2.5-7-14(b)), the Department has determined the statewide average retail price per gallon of gasoline to be one dollar and twenty-two and three tenths cents (\$1.223). The most recent retail price of gasoline available was based on data contained in the May 2003 Petroleum Marketing Monthly as published by the Energy Information Agency.

The prepayment rates for periods beginning July 1, 1994 are set out below:

<u>Period</u>	<u>Rate Per Gallon</u>
July 1, 1994 to December 31, 1994	2.9 cents
January 1, 1995 to June 30, 1995	3.7 cents
July 1, 1995 to December 31, 1995	3.3 cents
January 1, 1996 to June 30, 1996	3.3 cents
July 1, 1996 to December 31, 1996	3.4 cents
January 1, 1997 to June 30, 1997	4.0 cents
July 1, 1997 to December 31, 1997	3.9 cents
January 1, 1998 to June 30, 1998	4.0 cents
July 1, 1998 to December 31, 1998	2.9 cents
January 1, 1999 to June 30, 1999	3.0 cents
July 1, 1999 to December 31, 1999	2.4 cents
January 1, 2000 to June 30, 2000	3.6 cents
July 1, 2000 to December 31, 2000	4.6 cents
January 1, 2001 to June 30, 2001	4.9 cents
July 1, 2001 to December 31, 2001	4.9 cents
January 1, 2002 to June 30, 2002	4.9 cents
July 1, 2002 to December 31, 2002	3.2 cents
January 1, 2003 to June 30, 2003	5.3 cents
July 1, 2003 to December 31, 2003	6.6 cents

Indiana Department of State Revenue



Kenneth L. Miller
Commissioner